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CENTRAL FAX CENTER**AMENDMENTS TO THE SPECIFICATION****AUG 31 2005**

Please replace Paragraphs [0003] and [0013] with the following paragraphs rewritten in amendment format:

[0003] A problem that has been recognized in the art for a typical clutch assembly of this type is that the centrifugal force of the fluid within the fluid chamber 62 can put a positive pressure on the apply piston 60 as illustrated in Figure 2. The pressure generated by the centrifugal force of the fluid can cause unintended engagement of the clutch pack 16. Thus, a balance piston system has been developed as illustrated in Figure 3 in which a balance piston 70 is disposed between the apply piston 60 and the clutch pack 16 so that hydraulic fluid is present on opposite sides of the apply piston 60. When the balance piston system is spinning, the balance piston 70 traps fluid at the outer edge of the cavity 63 that it creates with the apply piston 60 to counteract the centrifugal forces caused by the fluid on the other side of the apply piston 60 as illustrated in Figure 3. The balance piston 70 is provided with a seal member 72 that contacts an inner surface of the axially extending arm 64 of the apply piston 60. The seal 72 is critical for the proper functioning of the balance piston system. The apply piston 60 includes a first inner diameter seal 74 and second and third outer diameter seals 76, 78, respectively. Each of the seals 74, 76, 78 are loose seals which are received in a respective recessed groove 80 a-c formed in the surface of the apply piston 60. In order to form these grooves 80a-c, the apply piston is formed in a casting process in which the grooves 80a-c can be cast or machined. The seals 74 and 76 combine to seal an apply chamber for the apply piston 60 while the seals 76 and 78 each engage an outer diameter surface of the piston chamber 62 along opposite sides

of a fluid flow path 82 provided in the outer diameter surface of the apply piston 60. Fluid flow path 82 allows fluid to pass from piston cavity or chamber ~~[[62]]~~ 63 to another piston chamber (not shown).

[0013] A balance piston 28 is provided between the clutch pack 16 and the apply piston 22. The balance piston 28 includes an inner hub portion 28a with a central aperture 30 which is received on the shaft portion of member 12. A seal 31 is disposed adjacent to the central aperture 30. The balance piston 28 is disposed against a stop ring 32 and includes a spring seat portion 34 against which a return spring assembly 36 is disposed. Return spring assembly 36 also presses against the radially extending hub portion 22a of the apply piston 22 in order to bias the apply piston 22 to a disengaged position. Hydraulic pressure generated in the piston chamber 24 causes the apply piston 22 to move against the biasing force of the spring assembly 36 and into engagement with clutch pack 16 for causing frictional engagement between first member 12 and rotatable member 14. The balance piston 28 includes a radially extending outer portion ~~[[28B]]~~ 28b which is provided with a seal lip profile 38 which engages the inner surface of the axially extending arm portion 22b of the apply piston 22. A seal 31 is disposed around an inner diameter portion of the balance piston 28. The seal 38, along with balance piston 28 and apply piston 22 define a balance chamber 40 that contains a fluid that offsets the axial pressure generated by the centrifugal force on the fluid in the piston chamber 24.